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August 13, 2002

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Washington's Unemployment Rate Up to 7.1 Percent in July

OLYMPIA - Washington's seasonally adjusted unemployment rate rose three-tenths of one percentage point to 7.1 percent in July, Employment Security Commissioner Sylvia P. Mundy announced today. The nation's seasonally adjusted unemployment rate was unchanged over the month at 5.9 percent. Washington's non-adjusted unemployment rate was up one-tenth of one percentage point to 6.9 percent.

"The July numbers underscore the tenuous state of Washington's labor market," said Mundy. "We remain guardedly optimistic that the state's economy is poised for gradual recovery, yet recognize that job losses in some sectors of our economy will continue, particularly in manufacturing."

Washington's nonagricultural wage and salary employment fell 25,300 over the month in July, a non-adjusted decline of 0.9 percent. This was due mainly to seasonal pullbacks in state and local education, which fell 18,600 and 12,300, respectively. Services shed 2,100 jobs, with the seasonal loss of 5,000 private education jobs only partly offset by notable gains of 900 in business services, 1,100 in amusement and recreation, 600 in health services, and 500 in hotels and lodging. Wholesale and retail trade was up 900 jobs. Retail was mixed, however, with general merchandise up 900 and food stores, building materials/garden supplies, and eating and drinking all down. Construction added 4,200 jobs. Transportation and public utilities added 800 jobs, and finance, insurance and real estate added 500.

Manufacturing lost 500 jobs, with the 200-job increase in non-durable goods more than offset by the 700-job loss in durable goods. Among non-durable goods, there were modest gains in food processing (+100) and pulp and paper (+100). Among durable goods, aircraft and parts (-1,000) and shipbuilding (-300) accounted for a loss of 1,300 jobs in a sector otherwise marked by modest gains in lumber and wood products, stone, clay and glass, electronics and aluminum. Government was down 29,100 jobs due to seasonal pullbacks in education.

Washington's non-farm employment, estimated in collaboration with the Office of the Forecast Council, fell by 55,700 jobs or 2.1 percent from July 2001 to July 2002 after seasonal adjustment. Non-adjusted data show that manufacturing lost 28,400 jobs with losses registered across virtually all of the state's goods producing sectors. Aircraft and parts, in particular, shed 12,400 jobs. Other notable losses included 3,300 in electronics, 2,600 in industrial machinery and equipment, 2,600 in food processing, and 1,400 in primary metals.

On the non-manufacturing side, construction shed 10,100 jobs, followed by wholesale and retail trade with 9,200 and services with 3,600. Business services, in particular, lost 9,500 jobs including 3,600 in computer and data processing. Health care added 8,300 jobs, with social services (+1,900), engineering and management (+1,100), and educational services (+1,000) also contributing. Transportation, communications and utilities lost 9,000 jobs. Finance, insurance and real estate added 2,300 jobs. Government added 7,500 jobs, largely due to local government (+7,300), which was fueled by education and tribal-owned businesses, but also federal government (+1,300). State government was down 1,100 jobs (-700 in education and -400 in non-education).

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